

HILLS FAMILY SUPERANNUATION FUND

FINANCIAL STATEMENTS

AND REPORTS

FOR THE PERIOD 1 JULY 2018 TO 30 JUNE 2019

Fletcher Accounting Pty Ltd
31/12 Charlton Court
Woolner NT 0820

HILLS FAMILY SUPERANNUATION FUND
FINANCIAL STATEMENTS INDEX

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HILLS FAMILY SUPERANNUATION FUND
BALANCE SHEET AS AT 30 JUNE 2019

	2019	2018
	\$	\$
Investments		
Fixed Interest Securities (Australian)	-	131,035
Shares in Listed Companies (Australian)	90,328	116,140
Units in Listed Unit Trusts (Australian)	-	4,554
	90,328	251,729
Other Assets		
Cash at Bank- ANZ 3783-22335	440,662	68,670
Interest Receivable	-	1,044
Sundry Debtors	27,821	273,769
Income Tax Refundable (Note 5)	1,272	158
	469,755	343,641
Total Assets	560,083	595,370
Less:		
Liabilities		
Deferred Tax Liability	4,331	2,573
Sundry Creditors	-	1,979
	4,331	4,552
Net Assets Available to Pay Benefits	555,752	590,818
Represented by:		
Liability for Accrued Benefits (Notes 2, 3)		
Hills, Janice	534,171	569,614
Hills, Sarah	21,581	21,204
	555,752	590,818

**HILLS FAMILY SUPERANNUATION FUND
INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
Income		
Capital Gains/(Losses) - Taxable	(9,275)	-
Capital Gains/(Losses) - Non Taxable	1,233	-
Capital Gains - Tax Deferred Write Backs	(1,419)	-
Distributions Received	229	221
Dividends Received	9,656	9,955
Increase in Market Value of Investments (Note 4)	12,916	-
Interest Received	4,341	2,358
Rent Received	4,198	11,889
	21,879	24,423
Expenses		
Accountancy Fees	5,350	-
ATO Supervisory Levy	259	259
Auditor's Remuneration	1,188	-
Bank Charges	2	-
Benefits Paid - Unrestricted Non Preserved/Taxable	31,365	-
Benefits Paid - Unrestricted Non Preserved/Tax Free	13,635	-
Decrease in Market Value of Investments (Note 4)	-	8,150
Rental Property Expenses	1,771	5,915
	53,570	14,324
Benefits Accrued as a Result of Operations before Income Tax	(31,691)	10,099
Income Tax (Note 5)		
Income Tax Expense	3,374	1,644
Writeback of Deferred Tax	-	(91)
	3,374	1,553
Benefits Accrued as a Result of Operations	(35,065)	8,546

**HILLS FAMILY SUPERANNUATION FUND
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
Income		
Capital Gains/(Losses) - Taxable		
Ariadne Australia Limited	(510)	-
Gazal Corporation Limited	2,467	-
General Property Trust	(2,954)	-
Ioof Holdings Limited	(5,390)	-
Telstra Corporation Limited	(2,888)	-
	<u>(9,275)</u>	<u>-</u>
Capital Gains/(Losses) - Non Taxable		
Gazal Corporation Limited	1,233	-
	<u>1,233</u>	<u>-</u>
Capital Gains - Tax Deferred Write Backs		
General Property Trust	(1,419)	-
	<u>(1,419)</u>	<u>-</u>
Distributions Received		
General Property Trust	229	221
	<u>229</u>	<u>221</u>
Dividends Received		
Ariadne Australia Limited	110	175
Australia & New Zealand Banking Group Limited	7,319	7,319
Gazal Corporation Limited	386	229
Ioof Holdings Limited	919	945
Telstra Corporation Limited	923	1,287
	<u>9,656</u>	<u>9,955</u>
Interest Received		
ANZ Term Deposit	4,090	2,240
Cash at Bank- ANZ 3783-22335	252	118
	<u>4,341</u>	<u>2,358</u>
Rent Received		
1/266 Stanhill Drive, Surfers Paradise	4,198	11,889
	<u>4,198</u>	<u>11,889</u>
Revaluations		
Fixed Interest Securities (Australian)		
ANZ Term Deposit	-	1,113
	<u>-</u>	<u>1,113</u>
Shares in Listed Companies (Australian)		

HILLS FAMILY SUPERANNUATION FUND
DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Ariadne Australia Limited	325	(525)
Australia & New Zealand Banking Group Limited	(96)	(1,537)
Gazal Corporation Limited	(220)	280
Ioof Holdings Limited	698	(992)
Telstra Corporation Limited	6,960	(5,712)
	<u>7,667</u>	<u>(8,486)</u>
Shares in Unlisted Companies (Overseas)		
Bgp Holdings Plc	-	93
	<u>-</u>	<u>93</u>
Units in Listed Unit Trusts (Australian)		
General Property Trust	5,249	243
	<u>5,249</u>	<u>243</u>
Other Investment		
Other Revaluation	-	(1,113)
	<u>-</u>	<u>(1,113)</u>
	<u>12,916</u>	<u>(8,150)</u>
	<u>21,881</u>	<u>16,273</u>
Expenses		
Accountancy Fees	5,350	-
ATO Supervisory Levy	259	259
Auditor's Remuneration	1,188	-
Bank Charges	2	-
Benefits Paid - Unrestricted Non Preserved/Taxable		
Hills, Janice	31,365	-
	<u>31,365</u>	<u>-</u>
Benefits Paid - Unrestricted Non Preserved/Tax Free		
Hills, Janice	13,635	-
	<u>13,635</u>	<u>-</u>
Rental Property Expenses		
Council Rates	468	1,679
Management Fee	292	1,231
Repairs & Maintenance	250	867
Sundry expenses	22	66
Water & Sewerage	739	2,071
	<u>1,771</u>	<u>5,915</u>

**HILLS FAMILY SUPERANNUATION FUND
 DETAILED INCOME STATEMENT
 FOR THE YEAR ENDED 30 JUNE 2019**

	2019	2018
	\$	\$
	53,570	6,173
Benefits Accrued as a Result of Operations before Income Tax	(31,689)	10,100
Income Tax (Note 5)		
Income Tax Expense	3,374	1,644
Writeback of Deferred Tax		
Writeback of FITB/PDIT (Unallocated)	-	(91)
	-	(91)
	3,374	1,553
Benefits Accrued as a Result of Operations	(35,063)	8,547

HILLS FAMILY SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

1. Summary of Significant Accounting Policies

The trustees have prepared the financial statements on the basis that the superannuation fund is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations, the trust deed of the fund and the needs of members.

The financial statements have been prepared on a cash basis and are based on historical costs, except for investments which have been measured at market value.

The following significant accounting policies, which are consistent with the policies applied in the previous period unless otherwise stated, have been adopted in the preparation of the financial statements.

The financial statements were authorised for issue by the trustees/ directors of the trustee company.

a. Measurement of Investments

The fund initially recognises:

- i. an investment when it controls the future economic benefits expected to flow from the asset. For financial assets, the trade date is considered to be the date on which control of the future economic benefits attributable to the asset passes to the Fund; and
- ii. a financial liability on the date it becomes a party to the contractual provisions of the instrument.

Investments of the fund have been measured at market values, which refers to the amount that a willing buyer could reasonably be expected to pay to acquire an asset from a willing seller if the following assumptions are made:

- that the buyer and the seller deal with each other at arm's length in relation to the sale;
- that the sale occurred after proper marketing of the asset; and
- that the buyer and the seller acted knowledgeably and prudentially in relation to the sale.

Market value has been determined as follows:

- i. shares and other securities listed on the Australian Securities Exchange by reference to the relevant market quotations at the end of the reporting period;
- ii. units in managed funds by reference to the unit redemption price at the end of the reporting period;
- iii. fixed-interest securities by reference to the redemption price at the end of the reporting period;
- iv. investment properties at the trustees' assessment of their realizable value.

Financial liabilities, such as trade creditors and other payables, are measured at the gross value of the outstanding balance at the end of the reporting period. The trustees have determined that the gross value of the fund's financial liabilities is equivalent to their market values. Any remeasurement changes in the gross values of non-current financial liabilities (including liabilities for members' accrued benefits) are recognised in the income statement in the periods in which they occur.

b. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and at call, deposits with banks and short-term, highly liquid investments that are readily convertible to cash and subject to an insignificant risk of change in value.

c. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. Revenue is recognised at the fair value of the consideration received or receivable.

HILLS FAMILY SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Interest revenue

Interest revenue is recognised in respect of fixed-interest securities, and cash and cash equivalent balances. Interest revenue is recognised as it accrues.

Dividend revenue

Dividend revenue is recognised when the dividend has been paid or, in the case of dividend reinvestment schemes, when the dividend is credited to the benefit of the fund.

Rental revenue

Rental revenue arising from operating leases on investment properties is recognised upon receipt.

Distribution revenue

Distributions from trusts are recognised as at the date the unit value is quoted ex-distributions and, if not received at the end of the reporting period, are reflected in the balance sheet as a receivable at net market value.

Remeasurement changes in market values

Remeasurement changes in the market values of assets are recognised as income and determined as the difference between the market value at year-end or consideration received (if sold during the year) and the market value as at the prior year-end or cost (if acquired during the period).

Contributions

Contributions and transfers in are recognised when the control and the benefits from the revenue have been attained and are recorded by the Fund, gross of any taxes, in the period to which they relate.

d. Liability for Accrued Benefits

The liability for accrued benefits represents the fund's present obligation to pay benefits to members and beneficiaries and has been calculated as the difference between the carrying amount of the assets and the carrying amount of the other payables and income tax liabilities as at the end of the reporting period.

e. Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current tax and deferred tax are recognised in profit or loss. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax liability balances during the year as well as unused tax losses.

No deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which the trustees expect to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

f. Goods and Services Tax (GST)

HILLS FAMILY SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or other payables in the balance sheet.

g. Critical Accounting Estimates and Judgements

The preparation of financial statements requires the trustees to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

2. Liability for Accrued Benefits

Changes in the Liability for Accrued Benefits are as follows:

	2019	2018
	\$	\$
Liability for Accrued Benefits at beginning of period	590,817	589,481
Add:		
Benefits Accrued as a Result of Operations	(35,065)	8,454
- Adjustment of Deferred Tax Liability /Deferred Tax Asset	-	91
Less:		
- Benefits Paid	-	(7,209)
	555,752	590,817
Liability for Accrued Benefits at end of period	555,752	590,817

3. Vested Benefits

Vested benefits are benefits which are not conditional upon continued membership of the fund (or any other factor other than resignation from the fund) and include benefits which members were entitled to receive had they terminated their fund membership as at the reporting date.

	2019	2018
	\$	\$
Vested Benefits	555,752	590,817

4. Changes in Market Values

Investments and other assets of the fund are valued at the end of the reporting period as described in Note 1 - Summary of Significant Accounting Policies. A detailed schedule of investments is attached to these financial statements. A summary of the change in Market Values is as follows:

HILLS FAMILY SUPERANNUATION FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
Fixed Interest Securities (Australian)	-	1,113
Shares in Listed Companies (Australian)	7,667	(8,486)
Shares in Unlisted Companies (Overseas)	-	93
Units in Listed Unit Trusts (Australian)	5,249	243
	12,916	(7,037)

5. Income Tax

Income Tax is payable by the superannuation fund at the rate of 15% on the contributions received and the income of the fund. There has been no change in the Income Tax rate during the year.

The Income Tax payable by the superannuation fund has been calculated as follows:

	2019	2018
	\$	\$
Benefits accrued as a result of operations before income tax	(31,691)	10,098
Prima facie income tax on accrued benefits	(4,754)	1,515
Add/(Less) Tax Effect of:		
Distributions Received	195	(17)
Increase in Market Value of Investments	(1,937)	-
Benefits Paid - Unrestricted Non Preserved/Taxable	4,705	-
Benefits Paid - Unrestricted Non Preserved/Tax Free	2,045	-
Decrease in Market Value of Investments	-	1,223
Tax Adjustments	157	56
Accounting (Profits)/Losses on Sale of Investments	1,206	-
Movement in Deferred Tax Liability/Deferred Tax Asset	1,758	(1,223)
Writeback of Tax Deferred	-	91
	8,128	129
Income Tax Expense	3,374	1,644

Income tax expense comprises:

Income Tax Payable/(Refundable)	(1,272)	(158)
Imputed Credits	2,889	2,934
Foreign Credits	-	-
Movement in Deferred Tax Liability/Deferred Tax Asset	1,758	(1,223)
Writeback of Tax Deferred	-	91
Tax Instalments Paid	-	-
	3,374	1,644

HILLS FAMILY SUPERANNUATION FUND

TRUSTEES DECLARATION

The trustees have determined that the fund is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The trustees declare that:

- i. the financial statements and notes to the financial statements for the year ended 30 June 2019 present fairly, in all material respects, the financial position of the superannuation fund at 30 June 2019 and the results of its operations for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- ii. the financial statements and notes to the financial statements have been prepared in accordance with the requirements of the trust deed; and
- iii. the operation of the superannuation fund has been carried out in accordance with its trust deed and in compliance with the requirements of the Superannuation Industry (Supervision) Act 1993 and associated Regulations during the year ended 30 June 2019.

Specifically, the trustees declare that:

- in accordance with s 120 of the Superannuation Industry (Supervision) Act 1993, no individual trustee has been or is a disqualified person;
- the fund has satisfactory title to all assets, all assets are unencumbered and free from charge as prescribed by s 50 of the Superannuation (Supervision) Act 1993 and reg 13.14 of the Superannuation Industry (Supervision) Regulations 1994; and
- to the knowledge of the trustees, there have been no events or transactions subsequent to the balance date which could have a material impact on the fund. Where such events have occurred, the effect of such events has been accounted and noted in the fund's financial statements

Signed in accordance with a resolution of the trustees by:

Janice Hills
Trustee

Sarah Hills
Trustee

DATED: 06/11/2019

**HILLS FAMILY SUPERANNUATION FUND
STATEMENT OF TAXABLE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	2019
	\$
Benefits Accrued as a Result of Operations before Income Tax	(31,691.00)
Less:	
Increase in Market Value of Investments	(12,916.00)
Non Taxable Distributions Received	1,298.00
Tax adjustment Income - Gross interest (C)	1,044.00
	<hr/>
	(10,574.00)
	<hr/>
	(42,265.00)
Add:	
Benefits Paid - Unrestricted Non Preserved/Taxable	31,365.00
Benefits Paid - Unrestricted Non Preserved/Tax Free	13,635.00
Accounting Capital Losses	8,042.00
	<hr/>
	53,042.00
	<hr/>
Taxable Income	10,777.00
	<hr/>
Tax Payable on Taxable Income	1,616.55
Less:	
Imputed Credits	2,888.53
	<hr/>
	2,888.53
	<hr/>
Income Tax Payable/(Refund)	(1,271.98)
Add:	
Supervisory levy	259.00
Total Amount Due or Refundable	(1,012.98)
	<hr/>

Member's Statement
HILLS FAMILY SUPERANNUATION FUND

MS JANICE HILLS
PO BOX 954
DARWIN NT 0801

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2019 and for the reporting period 1 July 2018 to 30 June 2019.

Your Details		Your Balance	
Date of Birth	27 March 1940	Total Benefits	\$534,171
Tax File Number	Provided	Comprising:	
Date Joined Fund	5 November 2006	- Preserved	
Service Period Start Date	25 October 1980	- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	\$534,171
Member Mode	Accumulation	Including:	
Account Description		- Tax Free Component	\$158,952
Current Salary		- Taxable Component	\$375,218
Vested Amount	\$534,171		
Insured Death Benefit			
Total Death Benefit	\$534,171		
Disability Benefit			
Nominated Beneficiaries			

Your Detailed Account	Preserved	Restricted Non Preserved	Unrestricted Non Preserved	Total
Opening Balance at 1 July 2018			569,613	569,613
<u>Add: Increases to Member's Account</u>				
<u>During the Period</u>				
Concessional Contributions				
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period			12,803	12,803
Transfers in and transfers from reserves				
			12,803	12,803
			582,417	582,417
<u>Less: Decreases to Member's Account</u>				
<u>During the Period</u>				
Benefits/Pensions Paid			45,000	45,000
Contributions Tax				
Income Tax			3,246	3,246
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid				
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
			48,246	48,246
Member's Account Balance at 30/06/2019			534,171	534,171

Reference: HILL0004 / 501

Member's Statement
HILLS FAMILY SUPERANNUATION FUND

SARAH HILLS
PO BOX 954
DARWIN NT 0801

The Trustee of the above named fund wishes to advise you of the circumstances of your entitlement in the Fund at 30 June 2019 and for the reporting period 1 July 2018 to 30 June 2019.

Your Details		Your Balance	
Date of Birth	28 September 1971	Total Benefits	\$21,581
Tax File Number	Provided	Comprising:	
Date Joined Fund	5 November 2006	- Preserved	\$21,581
Service Period Start Date	5 November 2006	- Restricted Non Preserved	
Date Left Fund		- Unrestricted Non Preserved	
Member Mode	Accumulation	Including:	
Account Description		- Tax Free Component	
Current Salary		- Taxable Component	\$21,581
Vested Amount	\$21,581		
Insured Death Benefit			
Total Death Benefit	\$21,581		
Disability Benefit			
Nominated Beneficiaries			

Your Detailed Account	Preserved	Restricted Non Preserved	Unrestricted Non Preserved	Total
Opening Balance at 1 July 2018	21,204			21,204
<u>Add: Increases to Member's Account</u>				
<u>During the Period</u>				
Concessional Contributions				
Non-Concessional Contributions				
Other Contributions				
Govt Co-Contributions				
Employer Contributions - No TFN				
Proceeds of Insurance Policies				
Share of Net Income/(Loss) for period	506			506
Transfers in and transfers from reserves				
	506			506
	21,710			21,710
<u>Less: Decreases to Member's Account</u>				
<u>During the Period</u>				
Benefits/Pensions Paid				
Contributions Tax				
Income Tax	128			128
No TFN Excess Contributions Tax				
Division 293 Tax				
Excess Contributions Tax				
Refund Excess Contributions				
Insurance Policy Premiums Paid				
Management Fees				
Share of fund expenses				
Transfers out and transfers to reserves				
	128			128
Member's Account Balance at 30/06/2019	21,582			21,582

Reference: HILL0004 / 502